

**MINUTES OF THE
EXECUTIVE OFFICES & CRIMINAL JUSTICE
JOINT APPROPRIATIONS SUBCOMMITTEE
Room 25, House Building, Utah State Capitol Complex
January 19, 2011**

Members Present: Sen. Daniel W. Thatcher, Co-Chair
Rep. Eric K. Hutchings, Co-Chair
Rep. Christopher N. Herrod, Vice Chair
Sen. Peter C. Knudson
Sen. Ben McAdams
Sen. Howard A. Stephenson
Sen. John L. Valentine
Pres. Michael G. Waddoups
Rep. Joel K. Briscoe
Rep. Richard A. Greenwood
Rep. Curtis Oda
Rep. Paul Ray
Rep. Jennifer M. Seelig
Rep. Brad R. Wilson

Staff Present: Steve Allred, Deputy Director
Gary Syphus, Fiscal Analyst
Steve Jardine, Fiscal Analyst
Jennifer Eyring, Committee Secretary

Note: A list of visitors and a copy of handouts are filed with the committee minutes.

Sen. Thatcher called the meeting to order at 2:59 p.m. and stated that they will be discussing ideas for reducing the budget.

Gary Syphus, Fiscal Analyst, stated that the Executive Appropriations Committee (EAC) has determined that the budget bill will eliminate the structural deficit and has asked staff to provide a menu of options to reduce the budget. Staff provided a list of these options for consideration and to serve as a starting point for discussion. He stated that the items on the list may have policy indications that will need to be considered. Staff also provided a ten year budget history of each agency.

Division of Juvenile Justice Services (DJJS)

Steve Jardine, Fiscal Analyst, reviewed items 27 through 34 on the list of options.

Dan Maldonado, Director, and Rick Platt, Administrative Services, stated that they would like to come back later with their response after they have had the opportunity to look at the ideas more

carefully. They have also prepared the information that was requested by the committee at the previous meeting.

Mr. Jardine responded to committee questions about the options presented.

Pres. Waddoups said that all ideas are welcome and the committee appreciates ideas from the departments, committee members, staff, and the public.

Rep. Hutchings explained the loss of Medicaid funding last year. The State spent \$8 million last year to make up for the loss of Federal funding.

Rep. Herrod requested that funding information be broken down into General Funds and Federal Funds.

Courts

Mr. Syphus stated that item 19, is a discretionary reduction and would impact court services.

Dan Becker, Court Administrator, introduced Rick Schwermer, Assistant Court Administrator, and Ray Wahl, Juvenile Court Administrator. Mr. Schwermer discussed the handout provided that outlines the Courts' budget. He stated that reductions would essentially have to be personnel. In the past, the Legislature has not wanted to close facilities and lose that public access to the Courts. Cutting staff may make it impossible to keep a facility open. The Courts would still have lease and capital facility costs on closed buildings. They have avoided cutting IT staff in the administration because they feel that they provide technology solutions that save money. They also want to avoid reductions in juvenile programs.

Mr. Wahl explained that research has shown what is effective with high risk offenders. Reducing probation staff decreases the opportunity to help offenders change behavior. This results in a decrease in public safety, an increase in victimization, and an increase in recidivism.

Mr. Schwermer answered committee questions concerning funding levels for youth compared to adults and the possibility of users being charged for interpreter costs. He reminded the committee they can access CourTools on the Courts' website for more information.

Guardian ad Litem

Mr. Syphus discussed reduction option, item 20, for Guardian ad Litem. The reductions would increase caseloads and would result in a probable reduction of 3 attorneys and 4 staff.

Rick Smith, Director, stated that the impact would more likely be 4 attorneys and 4 staff. He said

that caseloads would be close to 300 child clients per attorney and it creates ethical concerns at that level. This affects both the children and their families. Research shows that the outcome for children and their families is better when the children are represented. The background and effects of the David C. lawsuit were discussed. The Office of Guardian ad Litem was created in response to the lawsuit. An excerpt from a letter received from the National Center for Youth Law stated concern that heavy caseloads and lack of adequate resources would impede the Office's ability to represent youth effectively. He stated that they have not been able to fulfill all of the responsibilities given them by statute because of limited funding, and that ability will decrease further with budget reductions. Questions from the committee were addressed.

Board of Pardons

Mr. Syphus explained that public safety is the basic principle considered in the option presented. The reduction would be \$50,000 from their budget.

Clark Harms, Chair, stated that they try to maintain a balance between facility capacity and public safety.

Attorney General

Steve Allred, Fiscal Analyst, said that the Attorney General's Office is subject to budget reductions as are all the other elected offices. The options are items 7 and 8 on the reduction list. Item 7 is a 10% reduction to the Children's Justice Centers. Item 8 is a staff reduction that would affect about 25 FTEs. The Office may be able to accomplish reductions through attrition, with workload adjustments between the remaining attorneys. It would most likely impact civil cases and criminal prosecution.

Mark Shurtleff, Attorney General, emphasized that all budget cuts and FTE reductions must come from the areas of their office that are funded by the general fund. He feels that those areas are some that are most important to his Office and to the Legislature and that they are important in protecting the public. There has been an increase in crime, such as mortgage fraud, real estate fraud, and other white collar crime, and they have been asked to do more with less resources. He explained the role that the Children's Justice Centers play in prosecuting abusers and protecting children in the community. The Office has recently been able to fill some prosecutor positions, but if they reduce FTEs, they are required by law to cut positions that were last hired. If the Office loses an attorney experienced in one area, they may need to move an attorney without that particular expertise, to fill the vacated position. He reiterated that the Attorney General's Office brings more money into the State than is appropriated to them in their budget.

State Auditor

Mr. Allred explained that the auditor has three main areas: the State Comprehensive Annual Financial Report (CAFR), single audits, and the State and Local Government program. Item 1 on the reduction options list is a 64% reduction to the Local Government Division. This would probably result in the loss of 2 of the current 3 FTEs, and may impact the program to the extent that it would be closed. This would make them noncompliant with statute. Any reductions would likely be in personnel, since personnel accounts for 95% of their budget.

Auston Johnson, State Auditor, provided the committee with a handout that shows a summary of audits performed. The last page of the report shows the laws that they would be in noncompliance with if they lost the Local Government Division. He stated that they will always do the best they can with the resources given them. In response to committee questions, he stated that they have not been able to keep up with local audits. Personnel have been moved to work on State audits. He noted that the handout also includes newspaper articles on recent frauds and embezzlements and said that they do not have the resources to be auditing at the level needed.

Sen. Stephenson said that he is concerned with the lack of ability to perform audits of local governments and that outside audits may not be thorough.

State Treasurer

Mr. Allred explained that the Office lost one FTE and that was refilled as a part-time position. Those savings account for part of their reduction and the rest will be accomplished through efficiency measures.

David Damschen, Chief Deputy State Treasurer, and Jason Nielsen, Financial Manager, reviewed the personnel change mentioned. The staffing reduction will account for about 1/3 of the funding reduction and the rest would be taken through a reduction of credit and investing resource subscriptions.

Governor

Mr. Allred reviewed the four line items in the Governor's budget. The Governor's Office is usually given discretion to make the reductions in the manner they desire. The LeRay McAllister program, which uses funds to preserve open space, would not be funded in this option. The reduction option for the Commission on Criminal and Juvenile Justice (CCJJ) is from the Judicial Performance Evaluation Commission (JPEC). CCJJ may request discretion in taking those reductions in another area.

Sandy Naegle, Financial Manager, introduced Dave Walsh, Deputy Director, CCJJ, and thanked

staff and the committee for their hard work on the structural deficit. She stated that the reduction options would cut 4 to 6 FTEs and take all ongoing money from the LeRay McAllister program. Currently that program has 1 FTE. Questions from the committee concerning the LeRay McAllister Program were addressed.

Dave Walsh stated that JPEC preforms a critical function and they would like to keep that funding whole and take reductions from other areas. He said they have the information the committee requested about the Drug Offender Reform Act (DORA) and will present it at a future meeting.

Department of Public Safety

Mr. Syphus reviewed reduction options for the Department including: eliminating uniform allowances for Driver Licence personnel, reducing uniform allowances for Dispatch, privatizing the Aero Bureau, eliminating the Statewide Information & Analysis Center (SIAC), privatizing Capitol Hill Security, reducing funding for Emergency Services and Homeland Security training and support, with a accompanied loss of matching Federal funds, reducing Driver License staff, funding reductions for DPS administration, including a possible reduction of 10 FTEs, DUI Squad reduction of 2 FTEs, and the elimination of the Liquor Law Enforcement program.

Lance Davenport, Commissioner, stated that they have cut budgets for the two years he has served as Commissioner and there has been a reduction of 40 to 50 personnel. He said that the UHP has been relatively untouched, but that has required heavier reductions in other areas. He expressed concern about cutting 10 FTEs as outlined in Item 15. He liked the Governor's budget that would be to do more, but with the same funding, instead of doing more with less funding. Uniform allowance reductions and DUI staff reductions were discussed further.

Rep. Greenwood emphasized that these reductions cut core functions of government.

Sen. Valentine discussed the benefits of the Aero program and wants to protect funding for this program.

Sen. McAdams expressed concern that some of these reductions would pass off the responsibility to local officials as an unfunded mandate.

Department of Corrections

Mr. Syphus discussed reduction options for the Department including: moving from 3 mealtimes to 2 at the prison, a 15% reduction in Administration, reducing the jail contracting rate to 2007 levels, closing housing units and releasing prisoners, and eliminating reimbursements for DNA specimen kits.

Tom Patterson, Executive Director, introduced Mike Haddon, Deputy Directory. The Department provided the committee with a handout containing information requested at the previous meeting. He said that he did not think that changing from 3 meals to 2 would result in much savings because they would still need two working shifts and the caloric amount would have to remain the same. He was also concerned that it might increase prison unrest and become a security issue. He stated that they are already lean in administrative staffing, and although there might be some small efficiencies to be found, cutting at too great a level will impact public safety. He said that the State is already paying less for jail reimbursements than is in statute, and doesn't want to risk losing county jail beds. He feels they are part of the solution in getting the State through the current funding problems. DNA kit reimbursement is no longer in the Department of Corrections, but is now under the Department of Public Safety.

Mr. Patterson addressed the issue of early release of prisoners and the impact it would have on supervision. A \$23 million reduction would effect an early release of 882 inmates, the closing of about 6 pods and cutting associated staff. Those who are released early would need supervision, resulting in a need for more staff in that area. Questions concerning DNA kits, jail reimbursement levels, meal costs, and closing pods were addressed. He stated that sex offender treatment funding is the same as 1996, although the number of offenders has increased. Mr. Haddon reported that the recidivism rate is reduced through treatment.

The committee requested specific information about staffing that would show a breakdown onto specific lines of duty and would spell out the staffing levels at which staff and public safety would become compromised.

Mr. Haddon emphasized that along with prison inmates, they also manage about 15,000 parolees.

Mr. Davenport reported that the DNA specimen account discussed earlier does not include rape kits.

Sen. Wayne Niederhauser introduced Dr. Don Wright, President, PrisonEd Foundation, and said that he felt it would be helpful to be aware of low cost and free services for rehabilitation and education at the prison.

Dr. Wright introduced David and Vickie Hatton, Prison volunteers, Norman Zurn, Entrepreneur, Adjunct professor, Salt Lake Community College, John Kimball, CEO, Kimball Equipment Company, and Dennis Brown, Bishop and volunteer. He provided a handout to the committee that showed research results on economic implications, reduced recidivism, and safety improvements associated with educational opportunities. He feels the program can be operated by volunteers, giving the inmates college credit and a better opportunity to succeed. In response to committee questions, he stated that this would be distance learning because of security concerns, and that the classes would prepare inmates to take a challenge exam or a CLEP test, in

the same manner that anyone else could pass the tests and receive college credit. He requested that the Legislative intent be clarified to say that it would be acceptable for college level opportunities to be provided to inmates provided it could be done without state funds. Utah State University and Salt Lake Community College have provided services in the past, but have discontinued because of cost.

Sen. Niederhauser feels that the Legislature should look at these educational opportunities.

Mr. Patterson expressed appreciation for the 14,000 volunteers that serve at the prison. He said that they truly make a difference in helping inmates maintain their link to the community, and in their preparation to return. He said that all proposals go before the review board, who are experts in programs and security. There is currently a proposal pending before the board and it is important that the process is followed. He also noted that any materials coming in to the prison have to be reviewed for security.

MOTION: Rep. Oda moved to adjourn. The motion was approved unanimously with Pres. Waddaups, Sen Knudson, Sen. Stephenson, Sen. Valentine, Rep. Greenwood, Rep. Ray, and Rep. Wilson absent for the vote.

Sen. Thatcher adjourned the meeting at 6:00 p.m.

Sen. Daniel W. Thatcher, Co-Chair

Rep. Eric K. Hutchings, Co-Chair